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Research News for the U.S. Travel Industry

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# TRAVEL PRINTOUT

US Travel Data Center

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## Travel Demand Will Continue to Grow Through 1989

Travel demand remains strong in 1988, and forecasts presented at the US Travel Data Center's 1989 Travel Outlook Forum, co-sponsored by the Travel and Tourism Research Association (TTRA), suggest travel will continue to grow modestly before striking rough weather in 1990.

The Conference Board projects that GNP will rise 7 percent by the close of 1988, and consumer expert, Richard Curtin, says consumer confidence has returned to levels abandoned following the stock market crash of October 1987.

Although the cost of travel has risen faster than overall consumer prices, the Data Center's National Travel Survey reports that Americans have increased their travel by 5 percent in the first seven months of this year.

Outlook for 1989 includes:

* The U.S. Travel and Tourism Administration predicts inbound foreign travel will increase 7 percent in 1989, and outbound travel to increase 3 percent.
* First Boston expects the airlines to show a 5 percent jump in passenger miles by the end of 1989, with operating revenue up 8 percent.
* Amtrak estimates that passenger revenues will be up 4 percent, following a 16 percent increase in 1988, its first billion dollar year.
* Dr. Richard Curtin forecasts a 1.4 percent real gain in durable goods purchases, a significant factor to the travel industry.
* The National Park Service predicts an encouraging 3 percent increase in visitors next year, and expects to collect $50 million in user fees in 1989.

The complete, edited proceedings of the 1989 Travel Outlook Forum will be released in January as The 1989 Outlook for Travel and Tourism. Copies will be sent to Data Center and TTRA members and is available for $100, prepaid, from the US Travel Data Center, 1133 21st St. NW, Washington, D.C. 20036. ##

## 1987 Full Year Report Coming in November

Travel reached its highest level in the past seven years in 1987, recording 1.19 billion person-trips, a 6 percent increase over 1986.

Business travel and weekend travel both increased 9 percent over the previous year. Fifty-five percent of all person-trips taken by Americans ages 18-34 occured over a weekend compared to 42 percent for ages 35-54, and 41 percent for the 55+ segment.

U.S citizens were most prone to travel by automobile, on vacation, without children and for pleasure reasons, during 1987, with the Southeast as the most popular destination choice.

Every travel segment showed an increase in 1987, except the 55+ age group, which fell 8 percent.

These and other measures of U.S. travel will be released in the Data Center's 1987 Travel Executive Briefing, and a companion report of segment

(continued on page 3)

# Motor Fuel Costs Lead August Travel Price Increase

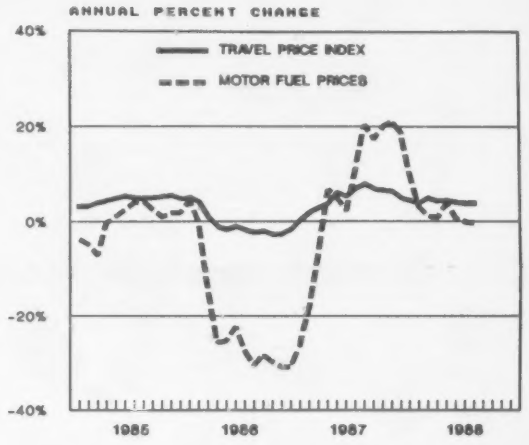
Rising motor fuel costs drove the overalll cost of travel in August up 0.8 percent according to the US Travel Data Center's latest Travel Price Index (TPI).

The TPI, which measures changes in the seasonally unadjusted prices of lodging, food, transportation and other goods and services purchased by Americans traveling away from home in the United states, reached 122.3 (1982-84=100) in August.

For comparison, the overall cost of consumer goods and services, as measured by the Consumer Price Index (CPI), rose 0.4 percent in August.

Motor fuel and lodging prices led travel price increases for August 1988, growing 2.2 percent and 1.4 percent respectively over July. However, airline fares and the cost of intracity public transportation were unchanged.

The August TPI gained 4 percent when compared to the same month one year ago. The CPI also registered a 4 percent increase over year-earlier figures. Lodging prices led all other components with a 6 percent increase over August 1987 levels.




Other intercity transportation increased 5.6 percent, followed by entertainment costs, up 5.4 percent. Motor fuel showed the only decline by comparison. ##

Monthly and Annual Rates of Change in the Travel Price Index and Components
August 1988

| TPI Component | Monthly Percent Change July 1988 to August 1988 | Annual Percent Change August 1987 to August 1988 |
|---|---|---|
| Transportation | 1.2 | 0.4 |
| Airline Fares | 0.0 | 0.9 |
| Other Intercity Trans. | 0.2 | 5.6 |
| Intracity Public Trans. | 0.0 | 2.8 |
| Motor Fuel | 2.2 | -0.2 |
| Lodging | 1.4 | 6.0 |
| Food and Beverages Away From Home | 0.3 | 4.3 |
| Entertainment | 0.7 | 5.4 |
| TRAVEL PRICE INDEX | 0.8 | 4.0 |
| CONSUMER PRICE INDEX | 0.4 | 4.0 |

Source: US Travel Data Center and U.S. Bureau of Labor Statistics

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**Travel Printout** reports on Data Center Projects, national travel research conducted by other respected organizations, and trends in the U.S. travel industry. Subscriptions are $70 per year, U.S., Canada and Mexico; other foreign countries, $80 per year, payable in U.S. funds only. ISSN: 0744-6233.

# July Vacation Travel Jumps a Surprising 10 Percent

Overall U.S. travel increased 3 percent in July, while vacation travel increased an incredible 10 percent, according to the Data Center's latest National Travel Survey.

The monthly telephone survey reports that Americans took 152 million person-trips during July. (A person-trip is one person traveling 100 miles or more away from home.)

Vacation person-trips soared to 118.6, surprising the travel research center, which had predicted a 4 percent increase overall in summer vacation travel. Weekend travel in July increased 7 percent.

While business travel and pleasure travel both rose 4 percent, travel for personal and other purposes decreased in July.

Average trip duration fell to 5.3 nights from 5.6 nights one year ago, while average trip distance increased to 960 miles, up from 860 miles in July 1987.

Hotel/motel person-trips increased to 68.3 million, a 5 percent gain.##

## Travel (continued from page 1)

tabulations, 1987 Travel Market Close-Up, in November. These reports will be sent to Data Center members, but are available to others for $135 each, prepaid, or $250 for both reports, from the US Travel Data Center, 1133 21st St. NW, Washington, D.C. 20036.##

## Order 1988 Travel Trends Slides

Data Center Members Only: Copies of the slides shown during Dr. Suzanne Cook's speech, "Travel Trends in 1988," presented at the Data Center's 1989 Travel Outlook Forum, are available for purchase.

For more information, contact Ida Simmons, marketing manager, at 202/293-1040.##

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| **Visitor Volume at National Parks** Region | JULY 1988 visits | Percent change from JULY 1987* | Percent change 1988/1987* Year-to-Date |
|---|---|---|---|
| NEW ENGLAND | 2,617,648 | -3 | -1 |
| MIDDLE ATLANTIC | 4,702,043 | -23 | -13 |
| SOUTH ATLANTIC | 12,388,635 | -4 | 3 |
| EAST SOUTH CENTRAL | 2,976,595 | 10 | 10 |
| EAST NORTH CENTRAL | 1,300,684 | 13 | 13 |
| WEST NORTH CENTRAL | 2,137,047 | 4 | 5 |
| WEST SOUTH CENTRAL | 1,403,613 | 13 | 4 |
| MOUNTAIN | 7,045,709 | 2 | 4 |
| PACIFIC | 7,393,545 | 8 | 1 |
| TOTAL | 41,965,519 | -1 | 1 |

* Percent change figures may not be consistent with those previously reported due to National Park Service revisions.

States comprising the Census regions:
**New England:** Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont. **Middle Atlantic:** New Jersey, New York, Pennsylvania. **South Atlantic:** Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia. **East South Central:** Alabama, Kentucky, Mississippi, Tennessee. **East North Central:** Illinois, Indiana, Michigan, Ohio, Wisconsin. **West North Central:** Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota. **West South Central:** Arkansas, Louisiana, Oklahoma, Texas. **Mountain:** Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, Wyoming. **Pacific:** Alaska, California, Hawaii, Oregon, Washington.

# Current Travel Indicators

CURRENT TRAVEL INDICATORS

| | Current Month | Current Value | Percent Change: Previous Month | Percent Change: Year-ago Month | Percent Change: Year to date |
|---|---|---|---|---|---|
| **Establishment receipts or retail sales** | | | | | |
| Hotels, motels and other lodging places(1) | Jul | $ 4,720 million | -2.5 | 10.7 | 8.9 |
| Eating and drinking places(2) | Jul | $13,011 million | 0.9 | 6.3 | 4.4 |
| Gasoline service stations(2) | Jul | $ 8,923 million | -0.4 | 1.4 | 5.5 |
| **Commercial lodging demand** | | | | | |
| Hotel/motel occupancy rate(3) | Jul | 62.8 percent | 0.3 | 1.5 | 0.7 |
| Real demand for commercial lodging(4) | Jul | 63.0 million | 0.0 | 5.5 | 4.6 |
| **Airline passenger traffic(5)** | | | | | |
| Domestic revenue passenger-miles | Jul | 29.6 billion | 5.0 | 0.9 | 0.7 |
| International revenue passenger-miles | Jul | 10.2 billion | 13.2 | 13.8 | 19.4 |
| **Highway traffic volume(6)** | | | | | |
| Rural arterial vehicle-miles | Jul | 48.3 billion | 8.0 | 4.8 | 5.1 |
| **Rail passenger traffic(7)** | | | | | |
| Amtrak passenger-miles | Jul | 590.1 million | 12.3 | 0.6 | 10.9 |
| **Travel Price Index(8)** | Jul | 121.3 | 0.9 | 3.9 | 4.4 |
| **U.S. resident travel** | | | | | |
| Total person-trips (9) | Jun | 9 million | 22.8 | 2.6 | 4.7 |
| Vacation person-trips (9) | Jun | 4.6 million | 32.5 | 10.0 | 9.0 |
| Total person-nights (10) | Jul | 806.1 million | -66.2 | -0.6 | -3.3 |
| Vacation person-nights (10) | Jul | 679.9 million | 45.9 | 7.6 | -2.2 |
| **Public use of national parks(11)** | | | | | |
| Visits | Jul | 41,965,519 | 20.3 | 1.0 | 1.0 |
| Overnight stays | Jul | 3,294,560 | 27.3 | -2.0 | 1.0 |
| **Foreign arrivals in U.S.** | | | | | |
| From overseas (12) | Jun | 1,140,042 | 10.3 | 19.3 | 21.8 |
| From Canada (13) | Jul | 1,922,007 | 94.3 | 18.6 | 10.3 |
| From Mexico (12) | Jun | 82,962 | 22.8 | 3.5 | 7.6 |
| **U.S. citizen departures** | | | | | |
| To overseas (12) | May* | 1,166,058 | 9.5 | 4.1 | 4.3 |
| To Canada (13) | Jul | 2,450,118 | 60.4 | 2.8 | 0.9 |
| **Domestic demand for motor gasoline(14)** | | | | | |
| Barrels per day | Jul | 7,473 thousand | -4.7 | -1.3 | 1.8 |

* June data not yet available

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(1) Source: Smith Travel Research, seasonally unadjusted. (2) Preliminary; revised monthly. Source: Bureau of the Census. (3) Source: Smith Travel Research, seasonally adjusted, 1986 and 1987 data have been revised. (4) Smith Travel Research, unadjusted room nights sold. (5) Preliminary; U.S. scheduled service air carriers. Source: Air Transport Association. (6) Preliminary; revised monthly. Source: Federal Highway Administration. (7) Source: National Railroad Passenger Corporation (Amtrak). (8) Source: US Travel Data Center and Bureau of Labor Statistics. (9) Source: US Travel Data Center. (10) US Travel Data Center. Data are not comparable to earlier published numbers due to revised methodology. (11) Preliminary; unadjusted for differences in reporting units. Source: National Park Service. (12) Source: U.S. Travel and Tourism Administration. Mexican data reflect 1% arrivals only. (13) Statistics Canada. (14) Preliminary; Source: U.S. Department of Energy.

US Travel Data Center
Two Lafayette Centre
1133 21st Street, NW
Washington, D.C.
20036
(202) 293-1040

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